



JOHN NAIMO
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

March 3, 2015

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

FROM: John Naimo 
Auditor-Controller

SUBJECT: **BEHAVIORAL HEALTH SERVICES, INC. – A DEPARTMENT OF
MENTAL HEALTH SERVICE PROVIDER – PROGRAM REVIEW**

We completed a program review of Behavioral Health Services, Inc. (BHS or Agency), which included a sample of billings from Fiscal Year (FY) 2013-14. The Department of Mental Health (DMH) contracts with BHS to provide mental health services, including interviewing Program clients, assessing their mental health needs, and implementing treatment plans.

The purpose of our review was to determine whether BHS provided the services and maintained proper documentation, as required by their County contract.

DMH paid BHS approximately \$520,000 on a cost-reimbursement basis for FY 2013-14. The Agency provides services in the Third Supervisorial District.

Results of Review

BHS' staff had the required qualifications to provide DMH Program services. However, BHS did not adequately document 17 (59%) of the 29 billings reviewed, totaling \$2,834. In addition, BHS did not document Informed Consent forms for three (60%) of the five clients reviewed, prior to treatment with psychotropic medication.

BHS' attached response indicates that they will repay DMH \$2,834, and will ensure that Informed Consent forms are documented in the clients' charts through their quality assurance chart reviews.

Details of our review, along with recommendations for corrective action, are attached.

Review of Report

We discussed our report with BHS and DMH. BHS' attached response indicates that they agree with our findings and recommendations. DMH will work with BHS to ensure that our recommendations are implemented.

We thank BHS management and staff for their cooperation and assistance during our review. If you have any questions please call me, or your staff may contact Don Chadwick at (213) 253-0301.

JN:AB:DC:EB:sk

Attachments

- c: Sachi A. Hamai, Interim Chief Executive Officer
Dr. Marvin J. Southard, D.S.W., Director, Department of Mental Health
Victoria Velarde, Board Chairperson, Behavioral Health Services, Inc.
Shirley Summers, LCSW, President/CEO, Behavioral Health Services, Inc.
Public Information Office
Audit Committee

**BEHAVIORAL HEALTH SERVICES, INC.
DEPARTMENT OF MENTAL HEALTH
PROGRAM REVIEW
FISCAL YEAR 2013-14**

PROGRAM SERVICES

Objective

Determine whether Behavioral Health Services, Inc. (BHS or Agency) provided the services billed to the Department of Mental Health (DMH) in accordance with their contract and related guidelines.

Verification

We selected 29 (6%) of the 476 approved Medi-Cal billings for July and August 2013, which were the most current billings available at the time of our review (June 2014). We reviewed the Assessments, Client Care Plans, Progress Notes, and Informed Consent forms in the clients' charts for the selected billings. The 29 billings represent services provided to 18 clients.

Results

BHS overbilled DMH \$2,834 for 17 (59%) of the 29 billings reviewed. Specifically, the Agency overbilled for:

- Five (17%) of the 29 billings, totaling \$972, for one client in which the Agency did not complete the Annual Assessment Update or Client Care Plan, as required by the DMH Provider's Manual, Chapter 1, Page 1-7. According to the DMH Provider's Manual, the Assessment must support a primary diagnosis and medical necessity, and the Client Care Plan must document impairments and interventions related to the client's mental health condition. The questioned amount is only for July and August. DMH will need to determine the total amount of unsupported billings.
- Four (14%) of the 29 billings, totaling \$699, in which the Progress Notes for Targeted Case Management services did not document the special needs of the client as required by the DMH Provider's Manual, Chapter 2, Page 2-29.
- Eight (28%) of the 29 billings, totaling \$1,163, in which the Progress Notes did not describe what the clients or service staff attempted and/or accomplished towards the Client Care Plan objectives, as required by the DMH Provider's Manual, Chapter 2, Page 2-2. According to the DMH Provider's Manual, each chart note must include a description of service provided, what was attempted, and/or accomplished during the contact toward the attainment of a treatment goal. We noted a similar finding during our prior monitoring review.

In addition, BHS did not document the Informed Consent form as required by the DMH Provider's Manual, Chapter 2, Page 2-11, for three (60%) of the five clients reviewed who received treatment with psychotropic medication. According to the DMH Provider's Manual, clients shall be treated with psychotropic medication only after they have been informed by the physician of their right to accept or refuse such medication. We noted a similar finding during our prior monitoring review.

Recommendations

Behavioral Health Services, Inc. management:

- 1. Repay the Department of Mental Health \$2,834.**
- 2. Ensure that Informed Consent is documented in the client's chart prior to treatment with psychotropic medication.**

STAFFING QUALIFICATIONS**Objective**

Determine whether BHS' treatment staff had the required qualifications to provide the mental health services.

Verification

We reviewed the California Board of Behavioral Sciences' website and/or the personnel files for all nine (100%) BHS treatment staff who provided services to DMH clients during July and August 2013.

Results

Each employee reviewed had the qualifications required to provide the billed services.

Recommendation

None.



The mission of BHS is to transform lives by offering hope and opportunities for recovery, wellness and independence.

American Recovery Center
909-865-2336

BHS/NCADD-Torrance
310-328-1460

Boyle Heights Recovery Service Center
323-262-1786

Community Assessment Services Center
310-973-2272 (CASC)

Flossie Lewis Center
562-435-7350

Hollywood Recovery Center
323-461-3161

Joint Efforts
310-831-2358

Lincoln Heights Recovery Center
323-221-1746

Pacifica House
323-754-2816

Patterns
310-675-4431

Redgate Memorial Recovery Center
562-599-8444

South Bay Recovery Center
310-679-9031

South Bay Senior Services
310-325-2141

Wilmington Recovery Center
310-549-2710

All the above programs of Behavioral Health Services, Inc. have been accredited by



High Gain
310 644-3659

BEHAVIORAL HEALTH SERVICES, INC.

15519 Crenshaw Boulevard, Gardena, CA 90249
310-679-9126 Fax 310-679-2920 corporate@bhs-inc.org

February 23, 2015

Mr. John Naimo
Auditor-Controller
County of Los Angeles, Department of Auditor-Controller
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 525
Los Angeles, CA 90012-3873

SUBJECT: BEHAVIORAL HEALTH SERVICES, INC. (BHS) Response and Corrective Action to Department of Mental Health Contract Compliance Review Draft Report

Dear Mr. Naimo,

This letter serves as Behavioral Health Services, Inc. response and corrective action to the recommendations in the Revised Draft Report (February 2015) of the Contract Compliance Review of our Department of Mental Health contracts for the periods of July and August 2013.

Recommendation #1: Repay the Department of Mental Health \$2,834.

BHS Response: BHS agrees to pay DMH \$2,834. Management and direct service staff are aware of the need to support each client's medical necessity for services with the "Full" (formerly Initial) Assessment (including primary diagnosis), Annual Assessment Update (including primary diagnosis) and Treatment Plan (formally CCP), and that the Treatment Plan must document impairments and interventions related to the client's mental health condition. Due to BHS's transition of electronic health record vendors during the review period, the missing Annual Assessment Update and CCP for the one client may not have been printed and inserted into the client's chart to be available for the reviewer at the time of the review. We are working with the previous electronic health record vendor to attempt to retrieve these documents and will forward them when they are available. We will continue to provide staff training to ensure progress notes for targeted case management services document the special needs of the client, and include a description of the service provided and what was accomplished toward the attainment of a treatment goal, as required by the DMH Provider Manual. DMH is working with BHS to provide additional training to the clinical staff.

Corrective Action: Since January 2014 we have conducted monthly trainings in the following areas: Intakes, Clinical Loop, Initial Assessments, Client Coordination Care Plans, Documentation, DMH revised forms effective July 1, 2014. In addition all mental health staff members are scheduled to attend the DMH training, "Understanding Documentation" on Wednesday, February 18th, 2015. Our Compliance Department has initiated a quarterly peer-review chart review process to ensure that mental health services are documented in accordance with the DMH Organizational Provider Manual and relevant policies and contract requirements. The BHS Quality Assurance Coordinator is leading this effort to ensure the identified deficiencies in the Compliance Report do not become chronic.

Page 2: Mr. John Naimo
February 23, 2015

Recommendation #2: Ensure that Informed Consent form is documented in the client's chart prior to treatment with psychotropic medication.

BHS Response: It is BHS policy that all informed consent forms are thoroughly completed, signed and dated before insertion in the client record.

Corrective Action: Staff members have been reminded of the importance of complete and thorough documentation in the client records, including informed consent for psychotropic medication. Quality assurance chart reviews will check to ensure that informed consents for medication are thoroughly completed, signed and dated prior to treatment.

BHS thanks the Auditor-Controller's office and DMH staff for providing the opportunity to improve our program. Behavioral Health Services, Inc. is committed to providing the highest quality mental health services to vulnerable populations in Los Angeles County, in compliance with all contract and program requirements.

Sincerely,



Shirley Summers, LCSW
President/CEO

C. Debbie Levan; Denise Shook; Todd Turley; Efrain Marquez (BHS)
Susan Kim (Auditor-Controller's Office)